

**Bridging Freedom Inc.
And State of Florida
Department of Children and Family**

**AGREEMENT GOVERNING
FIXED CAPITAL OUTLAY GRANTS AND AIDS**

THIS AGREEMENT, entered into this 18th day of February, 2016, by and between the State of Florida, Department of Children and Family, hereinafter referred to as the "Department," and Bridging Freedom Inc. hereinafter referred to as the "recipient,"

WITNESSETH:

WHEREAS, the State of Florida, Department of Children and Family, by authority granted in Chapters 20, 216, and 402 of the Florida Statutes, administers state funds appropriated by the Florida State Legislature, and

WHEREAS, \$1,000,000 was appropriated by the Florida State Legislature to the Department in Line Item 323A of Fiscal Year 2015-2016 General Appropriations Act, Section 3, Human Services for grants and aids to local governments and nonstate entities – fixed capital outlay from non-recurring General Revenue Funds.

WHEREAS, Bridging Freedom Inc. has received \$1,000,000 for the development of a community-based, safe home campus in Pasco County, Florida, designed for residential treatment services to victims of sexual trafficking and exploitation, and

WHEREAS, there is a need to provide a facility for provision designed for residential treatment services to victims of sexual trafficking and exploitation in order to comply with the will of the Legislature, and

WHEREAS, the Department has received from the recipient the attached Exhibit "A" Letter of Intent / Facility Program for the development of a community-based, safe home campus designed for residential treatment services to victims of sexual trafficking and exploitation.

NOW, THEREFORE, IT IS HEREBY agreed, by and between the Department and the recipient as follows:

I. THE RECIPIENT HEREBY AGREES:

- A. Services to be provided
To plan, develop and accomplish the services described in Exhibit A and to do the activities specified in I.B. Letter of Intent / Facility Program of this Agreement or

The recipient agrees that compliance with these requirements constitutes a condition of continued receipt of or benefit from funds provided through this Agreement, and that it is binding upon the recipient, its successors, transferees and assignees for the period during which services are provided or obligations under this Agreement continue. The recipient further assures that all contractors, subcontractors, subgrantees, or others with whom it arranges to provide services or benefits to participants or employees in connection with any of its programs and activities will not discriminate against those participants or employees in violation of the above statutes, regulations, guidelines and standards.

E. Audit and Records - The Recipient Agrees:

1. To maintain complete, accurate and adequate financial records and reports relating to funds received under this Agreement and expenditures made with those funds.

2. To maintain books, records, documents including electronic storage media and the evidence and accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this Agreement. All records shall be subject at all times to inspection, review, copying or audit by authorized state personnel and other personnel duly authorized by the Department.

3. Without limiting the generality of the foregoing or the generality of the following with the foregoing, to adopt an accounting system, in compliance with generally accepted accounting principles, which shall provide for a complete record of the use of the grant money and shall comply with the provisions of Section 215.97 Florida Statutes.

4. To include these aforementioned audit and record keeping requirements in all approved subcontracts and assignments.

F. Retention of Records - Recipient Agrees:

To retain all financial records, supporting documents, statistical records and any other documents including electronic storage media pertinent to this Agreement for a period of not less than (i) six (6) years after the purchase if this grant is only for the purchase of real property, or, if audit findings have not been resolved at the end of such six (6) year period the records shall be retained until resolution of the audit findings, or (ii) six (6) years after the completion of the improvements, repairs, or renovations if this grant is for the improvement, repair or renovation of real property or for the purchase and improvement, repair or renovation of real property, or, if audit findings have not been resolved at the end of such six (6) year period the records shall be retained until resolution of the audit findings. State auditors and any persons duly authorized by the Department shall have full access to, and the right to examine any of the said materials at any time during regular business hours.

G. Status Reports - Recipient Agrees: To furnish the Department with monthly status reports.

Also, beginning with Fiscal Year 2015-16, provide reports directly to the Executive Office of the Governor Office of Policy and Budget (EOG/OPB) documenting the return on investment for this specific appropriation.

1. An initial report identifying the positive return the state will receive by providing the funding shall be submitted to EOG/OPB on or before July 31, 2016.

2. The initial report shall include actual returns by fiscal year if the provider previously received state funding, and projected positive returns based on the Fiscal Year 2015-16 funding.

3. Quarterly update reports shall be submitted to EOG/OPB within 30 days after the end of each quarter of the fiscal year thereafter.

4. All reports shall be submitted to MaryBeth.Vickers@laspbs.state.fl.us and a copy maintained in the contract managers file.

H. Indemnification

The recipient agrees to be liable for all claims, suits, judgments, or damages, including court costs and attorney's fees, arising out of the negligent or intentional acts or omissions of the recipient, and its agents, contractors, subcontractors and employees, during performance pursuant to this contract. Further, the recipient agrees to indemnify the Department against all claims, suits, judgments, or damages, including court costs and attorney's fees, arising out of the negligent or intentional acts or omissions of the recipient, and its agents, contractors, subcontractors, and employees, during performance pursuant to this contract. Also, the recipient agrees to defend the Department, upon receiving written notification from the Department, against all claims, suits, judgments, or damages, including costs and attorney's fees, arising out of the negligent or intentional acts or omissions of the recipient and its agents, contractors, subcontracts, and employees, in the course of the operation of this Agreement. In no event shall the recipient be liable for or have any obligation to defend the Department against such claims, suits, judgments or damages, including costs and attorney's fees, arising out of the sole negligent acts of the Department.

I. Publicity and Public Notice

All notices, informational pamphlets, press releases, research reports and similar public notices referencing the construction of this building and prepared and released by the recipient shall include the statement: *"This project is funded under an Agreement with the State of Florida, Department of Children and Family."*

J. Safeguarding Recipient Information

The recipient shall not use or disclose any information concerning the eventual recipients of services under this Agreement for any purpose not in conformity with state and federal regulations, as determined by the Department, except on written consent of the eventual recipient, his attorney, or his responsible parent or guardian.

K. Monitoring

The recipient shall permit Department personnel or representatives to monitor the services, which are the subject of this Agreement.

L. Public Access - Recipient Agrees:

To allow public access to all documents, papers, letters, or other materials subject to the provisions of Chapter 119, Florida Statutes, and made or received by the recipient in conjunction with this Agreement.

M. Security Interest / Title Evidence and Insurance / Other Insurance

1. The recipient acknowledges that pursuant to section 402.73(3) F.S. any state funds provided for the purchase of or improvements to real property are contingent upon the contractor or political subdivision granting to the state a security interest in the property at least to the amount of state funds provided for at least 5 years from the date of purchase or the completion of improvements or as further required by law. Pursuant thereto the recipient has executed and delivered or shall execute and deliver to the Department the Mortgage Lien and Security Agreement instrument (the "Mortgage") of even date herewith granting to the Department a mortgage lien on and/or security interest in the property to be purchased and/or improved with the proceeds of this grant located in Pasco County, Florida, more particularly described therein, for a term commencing with the date of the completion of the site development improvements funded by the proceeds of this grant and ending on the date that is 5 years thereafter. The Mortgage will secure recipient's obligation under section 402.73(3) F.S. to refund the proportionate share of the state's initial investment, as adjusted by depreciation, if recipient disposes of the property before the end of the Mortgage term. A copy of the Mortgage or the form of the Mortgage is attached hereto as Exhibit "B" and the terms and provisions thereof are incorporated herein by this reference and made a part hereof. The recipient agrees to pay all costs associated with the perfection of the liens and security interests under the Mortgage and the Notice of Federal Interest referred to below, including without limitation all recording and filing fees and the costs of any continuation statements, and any taxes associated with this Agreement, the Mortgage, and the NFI referred to below, including without limitation all documentary stamp taxes.

2. The recipient may request that the Department relinquish its interest sooner than the expiration of the term set forth above if extraordinary circumstances arise and if the Department finds that early retirement is in the best interest of the state. Under no circumstance will the Department consider such request earlier than 5 years after the date of the purchase or completion of the renovation or construction, whichever is later. The decision to approve such a request is the exclusive determination of the Department and shall not be reviewable by any court or administrative forum.

3. The recipient shall notify the Department in writing of the date of completion of the site development improvements funded by this grant, and shall maintain a copy of the notification in its files together with a written acknowledgment of the Department's receipt and approval of the notification of completion. The notification and the acknowledgement of the Department's receipt and approval of the notification shall

be in recordable form and shall be recorded in the public records of the county in which the property is located.

4. Prior to the disbursement of any of the grant proceeds by the Department to or for the benefit of the recipient the recipient shall furnish to the Department evidence satisfactory to the Department of, and, if required by the Department, a commitment for a policy or policies of title insurance insuring, the good and marketable fee simple title to the property to be purchased and/or improved with the proceeds of the grant, the recipient's interest therein (directly or through a trust established to hold fee simple title to the property), the lien of the Mortgage, and/or the lien of any NFI required to be executed and filed, free and clear of all liens, encumbrances, and interests other than those acceptable to the Department. If a commitment for any title insurance is required the recipient shall cause the final policy or policies of title insurance to be issued and delivered to the Department promptly after the recording of the Mortgage and any required NFI. All of the foregoing shall be in such forms, and any title insurance required by the Department shall be in such amounts, as are acceptable to the Department.

5. Prior to the execution of the Mortgage and any NFI required by this Agreement recipient shall not make any improvements, or cause any improvements to be made, to the property to be purchased and/or improved with the proceeds of the grant that could give rise to any lien under the Construction Lien Law, Chapter 713, Part I, Florida Statutes. Without limiting the generality of the previous paragraph 4, all title evidence, title insurance commitments, and/or title insurance policies required by the previous paragraph 4 shall reflect that no notice of commencement under the Construction Lien Law has been recorded.

6. The recipient shall keep the property to be purchased and/or improved with the proceeds of this grant insured against such perils, in such forms, including without limitation forms that include a loss payable provision acceptable to and in favor of the Department and/or its designee and provisions acceptable to the Department requiring the insurer to notify the Department and/or its designee of any changes in the policy or coverage, and for such amounts as the Department may from time to time determine and advise Provider of, and shall, prior to the disbursement of any of the grant proceeds by the Department and at all times thereafter, furnish to the Department evidence thereof that is satisfactory to the Department.

N. Public Entity Crime

Pursuant to section 287.133, F.S., the following restrictions are placed on the ability of persons convicted of public entity crimes to transact business with the Department:

When a person or affiliate has been placed on the convicted vendor list following a conviction for a public entity crime, he/she may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or the repair of a

public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in section 287.017, F.S., for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

Any person must notify the Department within 30 days after a conviction of a public entity crime applicable to that person or to an affiliate of that person. "Public entity crime means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including but not limited to, any bid, proposal, reply, or contract for goods or services, any lease for real property, or any contract for the construction or repair of a public building or a public work, involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

II. THE RECIPIENT AND THE DEPARTMENT AGREE:

A. Consultation

To furnish consultation and technical assistance to the recipient, if requested.

B. Method of Payment for Services

The following procedures for payment will apply:

1. In no event will payment be made under this Section II.B. for grants requiring matching funds unless recipient illustrates to the Department that the project is fully funded with proper matching funds as specified in the Letter of Intent or Facility Program.

2. Subject to the availability of state funds, the Department shall award to the recipient a sum not to exceed \$1,000,000 during the term of this Agreement.

3. In no event will payment be made by the Department in excess of \$1,000,000 as agreed upon by all parties to this Agreement.

4. If any of the funds are to be used for the construction, improvement, or repair of real property payment shall be made as work is completed in accordance with Exhibit A (approved Letter of Intent or Facility Program) and submission of invoice.

5. Payment shall be accomplished within twenty (20) days after the submission of a correct invoice and supporting documentation and, at the Department's option, its verification of the invoice and supporting documentation through inspection of the work to be performed under this Agreement and its determination that sufficient work has been completed to justify the payment.

6. Bridging Freedom, Inc., *Fixed Capital Outlay Grants and Aids* for the development of a community-based, safe home campus designed for residential treatment services to victims of sexual trafficking and exploitation, shall prepare and submit a request for release of funds that is on the recipient's stationery.

7. The Department may, in its sole discretion, advance parts or the whole of any advances before they become due if it is agreed by the parties and advisable to do so and all such advances or releases shall be deemed to have been made in pursuance of this Agreement and not to be a modification hereof. The making of any such advance, or any part of such advance, shall not be deemed an approval or acceptance by the Department of the work therefor done.

8. All sums advanced hereunder shall be used by the recipient solely and exclusively for the purposes intended to wit: Bridging Freedom, Inc., for the development of a community-based, safe home campus in Pasco County, designed for residential treatment services to victims of sexual trafficking and exploitation, as more particularly described in Exhibit "A" attached hereto. If any of the funds are to be used for the construction, improvement, or repair of real property all work shall commence on or before February 22, 2016 and all work shall be completed and all funds for that purpose shall be disbursed on or before February 28, 2017, ~~2018~~.

9. Upon completion of the project, a final accounting will be made and any funds not used in the completion of the project shall be returned to the Department within thirty (30) days after the final accounting report is submitted to the Department.

10. Any interest earned from advanced moneys shall be returned to the Department or shall be reduced from subsequent request for release of funds.

11. The Department shall not be obligated to, but may in its sole discretion, make any payment or advance any sums under this Agreement at any time in which the recipient is in default under this Agreement, the Mortgage, or the NFI.

III. THE DEPARTMENT AND THE RECIPIENT FURTHER AGREE:

A. Term of the Agreement

1. This Agreement shall be effective February 18, 2016, or on the date on which the Agreement has been signed by both parties, whichever is later.

2. This Agreement shall end upon the performance and payment of all of the obligations of the parties hereunder and under the Mortgage and the discharge of the lien of the Mortgage;

B. Termination

1. Termination Because of Lack of Funds: It is agreed that in the event funds to finance this Agreement, or part of this Agreement become unavailable, the

obligations of each party, hereunder may be terminated upon no less than twenty-four (24) hours notice in writing to the other party. Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. The Department shall be the final authority as to the availability of state and federal funds, and as to how any available funds will be allocated among recipients. Any payments already made by the Department shall be repaid as described in the Mortgage.

2. Termination for Breach: Unless the recipient's breach is excused, the Department may, by written notice of breach to the recipient, terminate the whole or any part of this Agreement in any of the following circumstances:

a. If the recipient fails to provide services called for by this Agreement within the time specified herein or any extension thereof; or

b. If the recipient fails to pay or perform any of the other provisions of or is otherwise in default under this Agreement, the Mortgage, or the NFI. A default under any of such instruments shall be a default under each and all such instruments.

c. Termination shall be upon no less than twenty-four (24) hours notice in writing delivered by certified mail, return receipt requested, or in person with proof of delivery. The recipient shall continue the performance of this Agreement to the extent not terminated under the provisions of this clause.

3. Waiver of Breach of any provision of this Agreement, the Mortgage, or the NFI shall not be deemed to be a waiver of any other or subsequent breach of any of the same and shall not be construed to be a modification of the terms of any of the same.

C. Termination Arrangements

After receipt of a notice of termination, and except as otherwise directed, the recipient shall:

1. Stop work under the Agreement on the date and to the extent specified in the notice of termination.

2. Place no further orders or contracts for materials, services or facilities except as may be necessary for completion of such portion of work under the Agreement as is not terminated.

3. Terminate all outstanding orders and contracts to the extent that they relate to the performance of work which was terminated.

4. Prepare all necessary reports and documents required under the terms of this Agreement up to the date of termination, including the final report due upon completion of the Agreement, if any, without reimbursement for services rendered in completing said reports beyond termination date if said reports are not completed prior to termination date.

5. Take any other actions as directed in writing by the Department.

6. Immediately return all unexpended funds to the Department.

D. Renegotiation or Modification

Any alterations, variations, modifications, or waivers of provisions of this Agreement, the Mortgage, or the NFI shall only be valid when they have been reduced to writing, duly signed by all parties thereto, and attached to the original thereof.

E. Name of Payee

The name of the official payee to whom the Department shall issue warrants shall be Bridging Freedom, Inc. The payee's Federal Employer Identification Number is 27-5467980

F. Use of Funds for Lobbying Prohibited

Bridging Freedom Inc. will comply with the provisions of section 216.347, Florida Statutes, which prohibits the expenditure of grants and aids appropriations for the purpose of lobbying the legislature, the judicial branch, or a state agency.

G. Cooperation; Payment of Costs

As a further condition to receipt of the grant funds provided or to be provided by the Department to or for the benefit of the recipient, the recipient agrees to cooperate with the Department and to assist it in and shall pay all costs of filing and recording the Mortgage, any NFI required by this Agreement, financing and continuation statements, and any notice of completion; the cost of all title evidence and any title insurance required by this Agreement, the cost of other insurance required by this Agreement or the Mortgage, taxes incurred pursuant to this Agreement or the Mortgage, and any other costs or taxes incurred or to be incurred under or pursuant to this Agreement or the Mortgage. If permitted under the program pursuant to which the grant is made the Department may, at its option, advance, pay, and/or reimburse recipient for any such costs or taxes from the proceeds of the grant and any such sums so advanced and paid shall be considered an advancement and payment of grant proceeds to the recipient. Otherwise, all such costs and taxes shall be paid by the recipient out of its own funds.

H. References and Citations

All references in this Agreement to statutory and regulatory citations and cross references or to any procedure, standard, or guideline shall be construed to refer to such statutes, regulations, procedures, standards, and guidelines as amended, renumbered, supplemented, and/or replaced from time to time. In the event of any conflict between with the terms and provisions of this Agreement and the provisions of any such statutes, regulations, procedures, standards, or guidelines, the provisions of such statutes, regulations, procedures, standards, and guidelines shall control and be applied.

I. All Terms and Conditions Included in Agreement

This Agreement and its incorporated attachments contain all the terms and conditions agreed upon by the parties. No other agreements, oral or otherwise, regarding

the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto. In the event of a breach or termination of this Agreement, the Mortgage, or the NFI the recipient agrees to pay all costs of collection of monies due to the Department including a reasonable attorney's fee and costs.

J. Miscellaneous

1. The entire Department's remedies hereunder, under the Mortgage, and under the NFI and at law or in equity are cumulative and may be exercised alone, together, or in any combination thereof.

2. This instrument shall be governed and construed by any applicable federal law and to the extent not preempted by federal law by the laws of the State of Florida without regard to its conflicts of laws provisions.

3. If any provision of this instrument is found by a court of competent jurisdiction to be invalid or unenforceable, or invalid or unenforceable in any particular circumstances, no such invalidity or unenforceability shall affect or impair the validity or enforceability of such provision in other permissible circumstances or the validity or enforceability of any other provision of this instrument.

4. Wherever used in this instrument all pronouns shall include the feminine, masculine, and neuter gender and the singular shall include the plural and vice versa.

5. Time is of the essence in the payment and performance of the obligations under this instrument.

6. Captions and headings used in this Agreement are for convenience only and shall not be used to define or construe the terms and provisions of this Agreement.

7. The excise or documentary stamp tax due in connection with this transaction has been paid on the Mortgage.

**SIGNATURE PAGE TO THE AGREEMENT GOVERNING
FIXED CAPITAL OUTLAY GRANTS AND AIDS BETWEEN
State of Florida Department of Children and Family
AND Bridging Freedom, Inc.**

IN WITNESS WHEREOF the parties hereto have executed this 12 page Agreement, the day and year previously written.

RECIPIENT:

Bridging Freedom

As Witnessed By:

By:

Name: Laura Hamilton

Title: President

Date: February 18, 2016

STATE OF FLORIDA
DEPARTMENT OF CHILDREN AND FAMILY

As Witnessed By:

By:

Name: Lisa Mayrose

Title: Regional Managing Director

Date: 02/18/16

APPROVED AS TO FORM AND LEGALITY

Regional General Counsel
Department of Children and Family

By:

Deanne Fields (for)
Shane Deboard

Revised ___ 2016